

ABSTRACT OF THE DISCLOSURE

A method of screening a company for compliance to Shari`ah-based principles includes first screening the company for compliance to a permitted ratio for debt over assets and debt over market capitalization, a permitted ratio for accounts receivable over assets, and a permitted ratio for interest income over revenue. Then the method includes screening the company for approval of reported Standard Industrial Classification codes. Subsequently the method includes screening the company for compliance to a permitted ratio for the sum of interest income over revenue and disapproved revenue percentage, and to a permitted ratio for the sum of the percentage of interest income and disapproved lines of business income and the largest of the ratios of debt over assets and debt over market capitalization. Subsequently the method also includes screening the company through a subjective filter. Subsequent screening of the company stops, if the company is rejected by the previous screening.

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